

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 8150

BILL NUMBER: SB 632

DATE PREPARED: Mar 1, 1999

BILL AMENDED: Feb 25, 1999

SUBJECT: Reading Diagnostic Assessments.

FISCAL ANALYST: David Hoppmann

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill would establish the Reading Diagnostic and Remediation Program (the Program) and the Reading Diagnostic and Remediation Program Fund (the Fund). It would require that the Program and Fund be administered by the Department of Education (the Department).

It would provide that a grade 1 or grade 2 student who is selected by the student's teacher because of difficulty in reading may be assessed and, if determined to be lacking in reading skills, must have an individualized reading instruction plan prepared for the student. It would require that the student's school track the student's performance after remediation, and would allow a school to receive diagnostic and remediation grants from the Fund.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) This bill would require the Department to administer the Program; coordinate grade 1 and grade 2 teacher training; and to select, purchase, and administer a diagnostic instrument to certain grade 1 and grade 2 students. The Department would also be required to approve diagnostic instruments selected by school corporations that do not wish to use a State selected assessment instrument. The Department would incur additional administrative time and cost associated with the provisions of the bill.

Assuming that all school corporations take advantage of the provisions of this bill, and that monies in the Fund are adequate to support all eligible school corporations, the State would experience a cost of approximately \$8,428,000 for the biennium. A cost component breakdown of the provisions of this bill is available in Legislative Services Agency, Office of Fiscal & Management Analysis.

There is no appropriation made in this bill.

Explanation of State Revenues:

Explanation of Local Expenditures: School corporations would experience additional administrative time

associated with the reporting requirements of this bill. In addition, school corporations opting to purchase their own diagnostic instrument (approved by the Board) would incur additional costs.

Explanation of Local Revenues: (Revised) This bill would allow school corporations to receive diagnostic and remediation reading grants from the Department, based on formulas which calculate the number of grade 1 and grade 2 students who do not meet certain calculated academic standard scales.

Diagnostic grants would be used to determine whether or not a student needs to be placed in an individualized reading program. Remediation grants would be used to design and implement individualized reading instruction plans prepared for the student by the school.

State Agencies Affected: Department of Education.

Local Agencies Affected: School Corporations.

Information Sources: Jerry McKena, CTB McGraw Hill, 317/581-9404.